

## Incentive Payments For State And Local Institutions Under Social Security Programs

### The Social Security And SSI Programs

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Social Security law prohibits the payment of Social Security benefits or Supplemental Security Income (SSI) payments to people who are confined to prison or other public institutions for certain periods provided in the law. SSI is a federal program that provides monthly payments to people who are 65 or older, or who are blind or have a disability and who have little or no income and resources. The Social Security Administration (SSA) administers disability insurance and retirement and survivors insurance benefits under law, which provides monthly benefits to eligible individuals based on their earnings.

Social Security and SSI recipients, or their representative payees, must inform SSA of events which may affect their eligibility or the amount of their payments. Some events which must be reported include confinement to jails, prisons or other public institutions.

The law requires SSA to verify certain eligibility factors with outside sources to ensure that payments are made only to eligible people and in the correct amount. Administrators of jails, prisons and other correctional and certain mental health institutions can help SSA by reporting data on confined or incarcerated individuals.

### Authority For Incentive Payments

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Federal Public Law 104-193 amends Section 1611(e)(1) of the Social Security Act (42 U.S.C. 1382(e)(1) and permits incentive payments from SSI program funds to state and local correctional facilities and certain mental health institutions for providing information to SSA that results in the suspension of SSI payments to people whose confinement began March 1997 or later.

Federal Public Law 106-170 amends section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3) and permits incentive payments to state and local correctional facilities and certain mental health institutions for providing information to SSA that results in the suspension of retirement and survivors disability insurance benefits to people whose confinement began on April 1, 2000 or later.

These laws are intended to promote timely disclosure of information about confined individuals to help SSA decide whether their payments should stop.

### Participation In The Incentive Payment Program

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State and local correctional and certain mental health institutions that want to participate in the incentive payment program must sign an agreement with the Commissioner of Social Security to provide the following information monthly about all inmates whose period of confinement or incarceration began March 1997 and later:

- Social Security number (SSN);
- Name;
- Date of birth;
- Date of confinement or incarceration; and
- Other identifying information about the confinement as required by the Commissioner.

In addition to a monthly report of new admissions, institutions are required to provide an initial report of total inmate population.

Participating state and local correctional and certain mental health institutions must forward the information to SSA electronically; i.e., wire-to-wire, tape, cartridge or diskette.

## How The Incentive Payment Process Works

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When reports are received, SSA will:

1. Verify that the required inmate data has been furnished by each enrolled correctional facility or mental health institution. (New admissions for the month will be reported.)
2. Confirm that SSN data matches information in SSA's files.
3. Review payment records to find out if the individual is receiving Social Security or SSI.
4. Notify the confined individual that Social Security or SSI payments should be suspended and afford him/her due process.
5. Determine the incentive payment to each participating facility or institution.

For every Social Security or SSI recipient that SSA suspends as a result of information provided by the enrolled facility or institution, SSA will pay:

- \$400 for information received within 30 days of the confinement data; or
- \$200 for information received after 30 days but within 90 days after confinement.

**No incentive payments** will be paid for information received after 90 days of confinement.

6. Transmit monthly incentive payments via electronic funds transfer to the financial account specified by each participating institution or facility.
7. Send a monthly notice to each enrolled facility or institution informing it of:
  - The total number of suspended Social Security or SSI recipients identified by facility or institution;
  - The date the electronic funds transfer was transmitted to its financial account; and
  - The total monthly incentive payment.

## Questions About The Incentive Payment Process

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If you have any questions about SSA's Incentive Payment Program, you should contact any Social Security office for the name and address of your SSA regional prisoner coordinator. The coordinator will assist you in enrolling in the program or answering any questions you may have.